REPORT TO THE

THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES

TRANSITIONAL RESIDENTIAL TREATMENT PROGRAM

Session Law 2007-323
House Bill 1473, Section 10.49(i)

February 29, 2008

NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES

A Report on Transitional Residential Treatment Program
February 29, 2008

The General Assembly enacted Session Law 2007-323. Section 10.49(i) of SL 2007-323 reads as follows:

Section 10.49(i) The Department of Health and Human Services shall develop a "Transitional Residential Treatment Program" service definition to provide 24-hour residential treatment and rehabilitation for adults who have a pattern of difficult behaviors related to mental illness, which exceeds the capabilities of traditional community residential settings. Before implementing the definition and rate, the Department shall report to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services. Not later than March 1, 2008, the Department shall report to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services on the implementation of this subsection.

In October 2007, the Department submitted the attached service definition and the operating cost estimate and daily rate for a Transitional Residential Treatment Program facility to Senator Martin Nesbitt and Representative Verla Insko, the Co-Chairs of the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services. The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS) plans to implement one such facility initially as a pilot project contingent upon the ability to identify State funds.

Currently, there are no licensure rules specifically for facilities of this type in North Carolina. Discussions are being held by the Division of MH/DD/SAS with the Division of Health Service Regulation to explore the issue of an appropriate licensure category and whether a waiver to increase staffing requirements in a current licensure category, for example group homes licensed under 10A NCAC 27G .5600, could be used while a new licensure rule category is developed and adopted.

The Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services will be involved in rule making specific to licensure for Transitional Residential Treatment. The Commission's involvement will occur when this new residential treatment approach has been implemented and found to be effective at meeting the treatment, rehabilitation, and residential needs of adults who have a pattern of difficult behaviors related to mental illness, which exceeds the capabilities of traditional community residential settings.

Recommendation: In order to implement this new service model, an appropriation of state funds will be needed. Subject to securing funding, the DMH/DD/SAS would propose to pilot the new definition in up to three locations to determine its effectiveness and to determine the actual cost of providing the service. Final adjustments to the service definition and rate would be made following a year-long pilot prior to making the new service available statewide.

The service definition and initial rate setting methodology are outlined in the attachments.

Transitional Residential Treatment Program for Adults with Serious Mental Illness and Adults with Serious Mental Illness and Co-Occurring Substance Use or Developmental Disabilities

State funded service (Room and Board is Not Included)

Service Definition and Required Components.
A Transitional Residential Treatment Program (TRT) is a 24-hour residential treatment and rehabilitation program for adults that is professionally supervised and staffed. The service must have a planned program of professionally directed evaluation, care and treatment for the restoration of functioning for persons with a serious mental illness, who may also have a co-occurring substance use disorder. It is designed to serve no more than six (6) adults who do not meet the criteria for inpatient psychiatric services but do require treatment in a staff secure setting.

In addition to psychiatric care, these programs shall include individual and group therapy, family therapy, recovery skills training, symptom monitoring, monitoring medications and self-management of symptoms, integrated substance abuse treatment, and access to preventive and primary health care as indicated in the individual's Person Centered Plan. Services shall promote recovery and natural supports, enhance personal responsibility and promote successful reintegration into community living. Services shall be designed to provide a safe and healthy environment for consumers. The TRT facility shall provide and assure integrated mental health and substance abuse treatment as specified in the Person Centered Plan.

A Person Centered Plan including Transitional Residential Treatment must be signed by a physician, licensed psychologist, physician's assistant or nurse practitioner according to their scope of practice prior to or on the day that the services are to be provided.

Provider Requirements.
Transitional Residential Treatment must be delivered by practitioners employed by a qualified mental health provider organization that meet the provider qualification policies and procedures established by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services and the requirements of 10A NCAC 27G. These policies and procedures set forth the administrative, financial, clinical, quality improvement, and information services infrastructure necessary to provide services. The organization must be established as a legally recognized entity in the United States and qualified/registered to do business as a corporate entity in the State of North Carolina.

Organizations that provide Transitional Residential Treatment must provide "first responder" crisis response on a 24/7/365 basis to the recipients who are receiving this service.

Staffing Requirements.
Residential staffing. Each facility shall have at least one full time qualified professional who meets the requirements of 10A NCAC 27G .0104 and who has the knowledge, skills, and abilities required to serve adults with mental illness. A Qualified Professional (QP) is

responsible for implementation of the residential treatment component of the Person Centered Plan (PCP). Clinical supervision for Associate Professionals and Paraprofessionals shall be made available as specified in 10A NCAC 27G core rules. A Qualified Professional shall work a minimum of 40 hours per week of which at least 75% (30 hours) shall occur when the residents are awake and present in the facility and shall be available by phone 24 hours a day.

Two staff members must be on site at all time in addition to the QP specified above. At a minimum, one of these staff members must be an Associate Professional. At least one staff member is required to be awake during client sleep hours and supervision shall be continuous.

Additional Clinical Staff Requirements.
A licensed behavioral health professional will provide clinical consultation/treatment in the facility each week for a minimum of six (6) hours In addition, a LCAS will provide clinical consultation/treatment for a minimum of two hours per week for individuals with a co-occurring substance abuse disorder and a licensed professional with expertise and experience in developmental disabilities (DD) will provide clinical consultation/treatment for a minimum of two (2) hours per week for individuals with a co-occurring developmental disability.
A psychiatrist shall be available 24 hours a day by telephone.
A registered nurse shall be available 24 hours a day by telephone, and on-site at least once a week for four (4) hours to assess and oversee health issues and medications.

Service Type/Setting.
Facility licensed under 10A NCAC 27G (Specific licensure rule will need to be developed and adopted by Commission for MH/DD/SAS or perhaps it will be possible on an interim basis to waive some the parts of current licensure rule for supervised living 10A NCAC 27G. 5600. The facility will provide services 24 hours per day, 7 days per week, and365 days per year.

Program Requirements.
Transitional Residential Treatment shall be the consumer's clinical home and shall be responsible for the development, implementation, and monitoring the consumer's PCP during the consumer's stay in the facility. The TRT shall also be responsible for the development and implementation, with the consumer, of a transition and discharge plan that specifies the arrangements made for services following discharge.

Utilization Management.
Authorization by the local management entity (LME) is required. The amount and duration of the service must be included in the individual's authorized Person Centered Plan prior to or on the day services are to be provided. Initial authorization for services may not exceed thirty (30) days. Services must be re-authorized at least every sixty (60) days thereafter and is to be documented in the Person Centered Plan and service record. Anticipated length of

stay is for up to six (6) months unless specific authorization for exceeding this time limit is required based on medical necessity.

Review and authorization by the LME is required for state funded transition services outside of the facility or by Value Options if the transition services outside of the facility are covered for Medicaid recipients. Such transition services are limited to no more than 30 days before planned date of discharge from the facility.

Entrance Criteria.

The recipient is eligible for this service when:

Eighteen (18) years of age or older, and an Axis I or Axis II diagnosis is present, other than a sole diagnosis of developmental disability or substance abuse.

AND

Has a history of multiple hospitalizations or other treatment episodes and/or recent inpatient stay with a history of poor treatment adherence or outcome**.**

AND

Less intensive levels of treatment have been tried and were unsuccessful, or are not appropriate to meet the individual's needs as demonstrated by significant difficulty meeting basic survival needs, self-care, personal safety, and maintaining stable housing, or exhibiting potentially dangerous behaviors in another residential setting, or being homelessness or imminent risk of becoming homeless.

AND

Is experiencing a pattern of difficult behaviors, related to mental illness, in the home, community and/or treatment setting and is not sufficiently stable, either emotionally or behaviorally, to be treated outside of a highly structured 24-hour therapeutic environment.

Continued Stay Criteria.

Symptoms of mental illness and/or levels of functioning leading to admission have not remitted sufficiently to allow discharge to a less intensive program or the individual has manifested new symptoms or difficult behaviors that meet initial authorization criteria and the Person Centered Plan has been revised to incorporate new goals.

OR

Individual shows continued progress towards goals, however has not improved sufficiently to transition to a less intensive program as reflected in documentation and the Person Centered Plan.

Discharge Criteria.

Consumer's needs are better met in a less intensive program and community placement/supportive service packages exist that is able to adequately meet the needs of the recipient.

OR

Recipient is not making progress, or is regressing and all realistic treatment options have been exhausted indicating a need for more intensive services.

Expected Outcomes.

The individual will attain a level of functioning including stabilization of psychiatric symptoms and, if applicable, establishment of abstinence sufficient to allow for subsequent mental health and substance treatment in a less restrictive setting and to allow for the individual to live in a less intensely supervised residential/housing setting.

Upon discharge, there will be linkage to the community of the recipient's choice for ongoing step down and support services. As one of the goals of the Transitional Residential Treatment is to assist individuals to develop the skills necessary to live more independently, program staff will be responsible for coordinating with the identified community service provider to facilitate the transition to a less intensive program.

Documentation Requirement.

Minimum standard is a shift note provided that includes the recipient's name, Medicaid identification number, date of service, purpose of contact, describes the provider's interventions, the time spent performing the intervention, the effectiveness of the interventions, the plan of care, and the signature and credentials of the staff providing the service. A discharge plan including specific transition services shall be discussed with the client, included as a revision to the PCP.

Service Exclusions/Limitations.

This service cannot be billed on the same day as any other mh/dd/sa service except as specified below.

Service Limitations.

Transition services to be delivered for 30 days prior to the planned discharge date from the Transitional Residential Treatment facility may include only those services that have been authorized as medically necessary preparation for discharge.

Cost Estimate

Transitional Residential Treatment Program

Model is based on 6 beds

Adults				6
Hours per year at 16 hours per day wake time				5,840
Number of staff required awake time				2
Hours per year at 8 hours per day sleep time				2,920
Number of staff required sleep time				2
Total staff hours				17,520
Total staff coverage hours				**17,520**
Max possible hours per staff at 8 hour per day 5 days per week				2,080
Minus leave				(80)
Minus sick				(80)
Minus holiday				(80)
Hours per staff from above				1,840
Minus training time: hold if need to modify				0
Total hours per direct care staff				1,840
Number of direct care staff required for coverage				9.5
Percentage time for paraprofessional				50%
Paraprofessional FTEs				4.75
Associate professionals				3.75
QP				1.00
Licensed. MH Prof.	6 hours per week.			15.0 %
RN on site	4hours			10.0 %
RN available by phone	24hour			
Assume % of annual wage	0.1	$25.00	$52,000	$ 5,200
Psychiatrist by phone	24hour			
Assume % of annual wage	0.05	$75.00	$ 156,000	$7,800
Licensed Prof	SA/DD extra support			
Hours per week	2			5.0 %

Transitional Residential Treatment Program

Model is based on 6 beds

		1 FTE =	2080 hrs	
Staffing Costs	**Hourly Rate**	**# FTE's**	**Salary per Year**	**Total $**
Licensed Professional (LP/CAS/CCS)	$30.00	0.20	$62,400	$12,480
Qualified Professional	$17.00	1.00	$35,360	$35,360
Associate Professional	$13.00	3.75	$27,040	$101,400
Paraprofessional	$11.00	4.75	$22,880	$108,680
RN	$25.00	0.10	$52,000	$5,200
Total Direct Personnel Cost Before Fringe Benefits		9.80		$263,120
Total Fringe Benefits 20%				$52,624
Total Personnel Compensation and Cost				***$315,744***

Other costs

RN on call	$5,200
Psychiatrist on call	$7,800
Sub-total other cost	$13,000
Provider Administration 15%	***$49,312***

Total Cost

$378,056

Per Diem @ 90% occupancy of 6 beds **$191.81**